GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5014
ANSWERED ON:25.08.2000
IDBI INVESTMENT IN INFOTECH SECTOR
AJAY SINGH CHAUTALA

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India propose to set up a new venture capital arm for investment in infotech sector;

(b) if so, the details thereof and the guidelines for disbursal of loan by new capital arm; and

(c) the time by which it is likely to be constituted ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) to (c) Yes, Sir. Industrial Development Bank of India (IDBI) has reported that theBank is in the process of setting up a dedicated Venture Capital Fund (VCF) forinfotech Sector. The modalities for setting up of dedicated VCF and the guidelines fordisbursements are being finalised However. in Ihe meantime IDBI continues to extendassistance to infotech sector projects under its existing VCF Scheme. The proposed dedicated VCF is expected to be operation-alised in three months.